

KONA HISTORICAL SOCIETY

LEGACY LAND CONSERVATION PROGRAM

2009-2010 APPLICATION

PRELIMINARY TITLE REPORT

September 30, 2009



Title Guaranty of Hawaii, Inc.

235 QUEEN STREET, HONOLULU, HI 96813 • P.O. BOX 3084, HONOLULU, HI 96802

CSU2 RESEARCH A Phone (808) 533-5872 Fax (808) 521-0221

ADVANCE NOTICE

CLIENT COPY

Date: 9/30/2009

Account No: 218800

TITLE GUARANTY ESCROW SERVICES INC
KONA OFFICE
75-170 HUALALAI RD STE C210
KAILUA-KONA, HI 96740

ATTENTION: JESSICA PASCUA

RE:

Order No: 200941685
Your Reference:
Tax Key: (3) 8-1-004-074

| | DESCRIPTION | AMOUNT |
|--|----------------|--------|
| | STATUS REPORT | 300.00 |
| | Total Estimate | 300.00 |

Note: Amounts will change if coverage related liability, or services change.
Please contact a Title Representative to revise this order.

STATUS REPORT

Maximum liability limited to
\$3,500.00

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

1250 OCEANSIDE PARTNES,
a Hawaii limited partnership,
as Tenant in Severalty,
-as to area(s) hatched on the map attached
hereto-
and
JACK BRYSSON GREENWELL, JR. and
JANET G. DOLLAR,
as Successor Co-Trustees
of the Revocable Trust of
Jack B. Greenwell dated June 9, 1986,
of which a Short Form Trust is
dated July 23, 1986, recorded
in Liber 19756 at Page 464,
with full powers to sell, mortgage, lease or
otherwise deal with the land
-as to remainder of LOT 2-A-2-
as Fee Owner

This report is dated as of September 21, 2009 at 8:00 a.m.

Inquiries concerning this report
should be directed to
JOANNE BOYETTE.

SCHEDULE A CONTINUED

Email jboyette@tghawaii.com
Fax (808) 521-0221
Telephone (808) 539-7725.
Refer to Order No. 200941685.

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (3) 8-1-004-074 Area Assessed: 110.700 acres

Land Classification: RESIDENTIAL/AGRICULTURAL AND NATIVE FOREST

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Any public right of way and/or easements over, or any fee simple interest, in the State of Hawaii, in and to old Government roads, trails, heiaus, grave sites and other historic sites, and rights of ingress and egress thereto.

4. Unrecorded GRANTS in favor of HAWAII ELECTRIC LIGHT COMPANY, INC., as mentioned in instrument recorded in Liber 9167 at Page 2, as follows:

 (A) Grant dated April 27, 1954, by MAUD A GREENWELL, Trustee for William H. Greenwell Estate

 (B) Grant dated September 21, 1956, by W. H. GREENWELL, LTD.

 (C) Grant dated August 28, 1957, by W. H. GREENWELL, LTD.

 -Note:- CANCELLATION OF EASEMENT acknowledged on August 1, 2003, recorded as Document No. 2003-221512, references Easements dated September 21, 1956 and August 28, 1957, executed by Maud A. Greenwell. Title Guaranty of Hawaii, Inc., is unable to determine if said Easements are the same as those in items (B) and (C) referenced above.

5. The terms and provisions, contained in the following:

 INSTRUMENT : DECLARATION CONCERNING FLOOD PLAIN AND COASTAL FLOOD HAZARD AREA

SCHEDULE B CONTINUED

DATED : --- (acknowledged September 5, 1991, September 6, 1991, and September 11, 1991
RECORDED : Document No. 91-139010

Said Declaration was amended by JOINDER dated October 8, 1991, recorded as Document No. 91-139011.

6. GRANT

TO : 1250 OCEANSIDE PARTNERS, a Hawaii limited partnership

DATED : October 11, 1991

RECORDED : Document No. 91-139015

GRANTING : an easement for the construction, reconstruction, installation, maintenance, repair and operation of a roadway for vehicular and pedestrian ingress and egress and/or for utilities purposes

7. RIGHT OF FIRST REFUSAL dated October 11, 1991, recorded as Document No. 91-139017, by and between JACK B. GREENWELL, as Trustee of the unrecorded Revocable Trust of Jack B. Greenwell dated June 9, 1986, of which a Short Form is recorded in Liber 19756 at Page 464, "Grantor" and 1250 OCEANSIDE PARTNERS, a Hawaii limited partnership, "Grantee"

8. All rights, claims and/or interests of others which exist or might arise by virtue of those kuleana awards described in Item II and Item III of Schedule C.

9. The terms and provisions contained in the following:

INSTRUMENT : WELL SITE DEVELOPMENT AGREEMENT

DATED : April 12, 2007

RECORDED : Document No. 2007-199314

SCHEDULE B CONTINUED

PARTIES : WILLIAM N. GREENWELL, and ETHELYN JEAN GREENWELL, as Trustee under that certain unrecorded Revocable Trust of E. Jean Greenwell dated September 11, 1992, 1250 OCEANSIDE PARTNERS, a Hawaii limited partnership, and the WATER BOARD OF THE COUNTY OF HAWAII, which is the government board of the Department of Water Supply, a semi-autonomous agency of the County of Hawaii

Said Agreement was supplemented by instrument dated September 13, 2007, recorded as Document No. 2007-170399.

10. -AS TO PORTION HATCHED ON THE MAP ATTACHED HERETO:-

(A) EFFECTS, IF ANY, OF AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR HOKULIA

DATED : December 4, 2006
RECORDED : Document No. 2006-222401

The foregoing Amended and Restated Declaration restates the original Declaration dated December 20, 1999, recorded as Document No. 99-200357, and any amendment thereto.

Said Amended and Restated Declaration was amended by instrument dated --- (acknowledged June 5, 2007), recorded as Document No. 2007-124762.

(B) EXEMPLIFIED FOREIGN JUDGMENT; AFFIDAVIT OF COUNSEL; EXHIBIT "A"

AGAINST : 1250 OCEANSIDE PARTNERS

IN FAVOR OF: OCD, LLC, a Hawaii limited liability company

DATED : July 17, 2008
AMOUNT : 12,308,833.77
FILED : Circuit Court of the First Circuit, State of Hawaii, S.P. No. 08-1-0278 SSM, on July 17, 2008
RECORDED : Document No. 2008-120312 on July 28, 2008

Said Judgment was also recorded as Document No. 2008-123451 on August 1, 2008

SCHEDULE B CONTINUED

(C) THE EFFECTS, IF ANY, OF ASSIGNMENT OF LEASES, LEASE PAYMENTS
AND PROFITS

DATED : October 8, 2007
RECORDED : Document No. 2009-144212
MADE BY : 1250 OCEANSIDE PARTNERS, a Hawaii limited
partnership, "Assignor"
IN FAVOR OF: BANK OF SCOTLAND plc, a Scottish public limited
company, "Assignee"

(D) THE EFFECTS, IF ANY, OF MORTGAGE, ASSIGNMENT OF RENTS AND
LEASES, SECURITY AGREEMENT AND FIXTURE FILING

DATED : October 8, 2007
RECORDED : Document No. 2009-144213
MADE BY : 1250 OCEANSIDE PARTNERS, a Hawaii limited liability
company, "Mortgagor"
IN FAVOR OF: BANK OF SCOTLAND plc, a Scottish public limited
company, "Mortgagee"

11. No title insurance with respect to the excluded parcels described in Item II and Item III in Schedule C can be provided.
12. Any unrecorded leases and matters arising from or affecting the same.
13. Claims arising out of customary and traditional rights and practices, including without limitation those exercised for subsistence, cultural, religious, access or gathering purposes, as provided for in the Hawaii Constitution or the Hawaii Revised Statutes.
14. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

SCHEDULE B CONTINUED

-Note:- A current survey, with metes and bounds description,
should be made of said premises.

END OF SCHEDULE B

SCHEDULE C

-ITEM I:-

All of that certain parcel of land (being portion of the land(s) described in and covered by Royal Patent Number 4386 and 7146, Land Commission Award 8452, Apana 11 to A. Keohokalole, Royal Patent Grant Number 787 to H. N. Greenwell; Royal Patent Number ---, Land Commission Award 7197, Apana 1 to Kamahele; Royal Patent Number 4844, Land Commission Award Number 7553-B to Pa; Royal Patent Number ---, Land Commission Award Number 7212, Apana 1 to Kaiaino; Royal Patent Number 4048, Land Commission Award Number 8157-E, Apana 1 to Kamahele; Royal Patent Number ---, Land Commission Award Number 8455-H, Apana 1 to Makole; Royal Patent Number 4843, Land Commission Award Number 10750 to Puki) situate, lying and being at Onouli 1st, Kalukalu 1st-3rd, District of South Kona, State of Hawaii, being LOT 2-A-2, bearing Tax Key designation (3) 8-1-004-074, and containing an area of 110.700 acres, more or less.

-ITEM II:-

Excluding from ITEM I the following:

Royal Patent Number ---, Land Commission Award Number 7197,
Apana 1 to Kamahele;

Royal Patent Number 4844, Land Commission Award Number
7553-B to Pa;

Royal Patent Number ---, Land Commission Award Number 7212,
Apana 1 to Kaiaino;

Royal Patent Number 4048, Land Commission Award Number
8157-E, Apana 1 to Kamahele;

Royal Patent Number ---, Land Commission Award Number
8455-H, Apana 1 to Makole;

Royal Patent Number 4843, Land Commission Award Number
10750 to Puki;

Said above described parcel of land having been acquired as follows:

SCHEDULE C CONTINUED

-AS TO THE AREA(S) HATCHED ON THE MAP ATTACHED HERETO:-

BEING THE PREMISES ACQUIRED BY WARRANTY DEED

GRANTOR : THE REVOCABLE TRUST OF JACK B. GREENWELL

GRANTEE : 1250 OCEANSIDE PARTNERS, a Hawaii limited
partnership

DATED : JULY 30, 2001

RECORDED : Document No. 2001-183743

Said Warranty Deed was corrected by CORRECTION TO WARRANTY DEED
dated May 27, 2003, recorded as Document No. 2003-142188

-AS TO REMAINDER OF LOT 2-A-2:-

By JACK B. GREENWELL, Trustee of the Revocable Trust of Jack B.
Greenwell dated June 9, 1986, as follows:

1. By QUITCLAIM DEED of HELEN M. GREENWELL, wife of Jack B.
Greenwell, dated July 23, 1986, recorded in Liber 19760 at Page
368; and
2. By WARRANTY DEED of JACK B. GREENWELL, a married man, dated July
12, 1986, recorded in Liber 19760 at Page 378.

-ITEM III:-

Excluding from ITEM I, the following:

Unlocated Kuleana Awards and Royal Patent Grant, as follows:

Royal Patent Number 8009, Land Commission Award Number 5692
to Naiwiakolea and containing an area of 1.40 acres, more
or less;

Royal Patent Number 4132, Land Commission Award Number
7198 to Kukahuna and containing an area of 0.90 acre, more
or less;

SCHEDULE C CONTINUED

Royal Patent Number ---, Land Commission Award Number 7203 to Kahananui and containing an area of 0.30 acre, more or less;

Royal Patent Number ---, Land Commission Award Number 7204, Apana 1 to Kapoi and containing an area of 1.20 acre, more or less;

Royal Patent Number 6621, Land Commission Award Number 8455 to Kanapi and containing an area of 0.90 acre, more or less;

Royal Patent Number 3899, Land Commission Award Number 8523-C, Apana 1 to Kaaua and containing an area of 0.56 acre, more or less;

Royal Patent Number 3899, Land Commission Award Number 8523-C, Apana 2 to Kaaua and containing an area of 0.65 acre, more or less;

Royal Patent Number ---, Land Commission Award Number 8757-D, Apana 1 to Kalawaiaaki and containing an area of 0.67 acre, more or less;

Royal Patent Number ---, Land Commission Award Number 8757-D, Apana 2 to Kalawaiaaki and containing an area of 0.75 acre, more or less;

Royal Patent Number ---, Land Commission Award Number 9428-H to Koikua and containing an area of 1.25 acre, more or less;

Royal Patent Number ---, Land Commission Award Number 9650, Apanas 1 and 2 to Lohi and containing an area of 1.25 acre, more or less;

Royal Patent Grant Number 2964 to H. N. Greenwell.

SCHEDULE C CONTINUED

-Note:-

1. The foregoing unlocated kuleana awards and grant have been conveyed to 1250 OCEANSIDE PARTNERS by deeds of LYLE ANDERSON, husband of Kerri Anderson, dated April 26, 1990, recorded as Document No. 90-059985 and dated April 26, 1990, recorded as Document No. 90-059986 and of JACK B. GREENWELL, as Trustee of the unrecorded Revocable Trust of Jack B. Greenwell dated June 9, 1986, a Short Form of which is recorded in Liber 19756 at Page 464, dated October 9, 1991, recorded as Document No. 91-139012.
2. No title insurance with respect to the excluded parcels described in Item II and Item III can be provided.

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
2. The records in the Bureau of Health Statistics reveal the death of JACK B. GREENWELL, SR. on June 3, 1996 at Hawaii.
3. Hawaiian Trust Company, Limited, successor in interest to Bishop Trust Company, declines to serve as successor co-trustee of the Jack Brysson Greenwell Trust, as set forth in Hawaiian Trust Company, Ltd., letter dated September 11, 1996.
4. Appointment and acceptance of Janet G. Dollar as successor Co-Trustee of the Jack Greenwell Trust, as set forth in instrument dated January 24, 1997.

BUYER(S) LIEN INFORMATION

1. Title Guaranty of Hawaii, Incorporated, finds no liens docketed against 1250 OCEANSIDE PARTNERS, the proposed purchaser(s).

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
 - B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
 - C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
 - D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
 - F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
 - G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 9/30/2009

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: JACK B GREENWELL TRUST
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(3) 8 1 004 074 0000

CLASS: 1,5 AREA ASSESSED: 110.700 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2009

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

| | | |
|-----------------|----|---------|
| BUILDING | \$ | 66,200 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 66,200 |
| LAND | \$ | 303,200 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 303,200 |
| TOTAL NET VALUE | \$ | 369,400 |

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of -

| Tax Year | Installment | Tax Amount | Penalty Amount | Interest Amount | Other Amount | Total Amount | |
|----------|-------------|------------|----------------|-----------------|--------------|--------------|---------|
| 2009 | 2 | 1,445.61 | | | | 1,445.61 | PENDING |
| 2009 | 1 | 1,445.61 | | | | 1,445.61 | PAID |
| 2008 | 2 | 1,443.52 | | | | 1,443.52 | PAID |
| 2008 | 1 | 1,443.52 | | | | 1,443.52 | PAID |
| 2007 | 2 | 194.14 | | | | 194.14 | PAID |
| 2007 | 1 | 194.14 | | | | 194.14 | PAID |

Total Amount Due: 1,445.61

Penalty and Interest Computed to:

DATE PRINTED: 9/30/2009

CLASS BREAKDOWN FOR TAX MAP KEY BELOW:

| | TAX MAP KEY | | | | | |
|----------|----------------|------|---------|------|--------|----------|
| | DIVISION | ZONE | SECTION | PLAT | PARCEL | HPR NO. |
| | (3) | 8 | 1 | 004 | 074 | 0000 |
| CLASS: 1 | AREA ASSESSED: | | | | | 4.930 AC |

| | | |
|-----------------|----|---------|
| BUILDING | \$ | 4,800 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 4,800 |
| LAND | \$ | 257,900 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 257,900 |
| TOTAL NET VALUE | \$ | 262,700 |

| | TAX MAP KEY | | | | | |
|----------|----------------|------|---------|------|--------|------------|
| | DIVISION | ZONE | SECTION | PLAT | PARCEL | HPR NO. |
| | (3) | 8 | 1 | 004 | 074 | 0000 |
| CLASS: 5 | AREA ASSESSED: | | | | | 105.770 AC |

| | | |
|-----------------|----|---------|
| BUILDING | \$ | 61,400 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 61,400 |
| LAND | \$ | 45,300 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 45,300 |
| TOTAL NET VALUE | \$ | 106,700 |

